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MONTANA SECOND JUDICIAL DISTRICT COURT  
BUTTE-SILVER BOW COUNTY

Kevin Washington an individual and minority owner of CryptoWatt Investment Partners, LLC the sole member of CryptoWatt Mining, LLC.	Dept. 1 Cause No. DV-19-453
Plaintiff,	
v.	
Matthew Brent Goettsche, an individual and majority owner of CryptoWatt Investment Partners, LLC the sole member of Cryptowatt Mining, LLC.	
Defendant	

**EX PARTE  
EMERGENCY MOTION  
TO APPOINT A  
RECEIVER  
And Request for a Hearing**

Comes now the Plaintiff, Kevin Washington, and moves this Court pursuant to MCA 27-20-102(3) to appoint a Receiver for the assets of CryptoWatt Mining, LLC and CryptoWatt Investment Partners, LLC. For the reasons set forth in Plaintiff's Complaint and Brief in Support of Ex Parte Emergency Motion to Appoint a Receiver filed in conjunction with this motion, Plaintiff respectfully requests the Court set this matter for hearing at its earliest convenience.

Wherefore, Plaintiff respectfully requests the Court grant his motion to

appoint a Receiver for the assets of CryptoWatt Investment Partners, LLC and  
CryptoWatt Mining, LLC.

DATED this 30th day of December, 2019.

KRIS A. MCLEAN LAW FIRM, PLLC

Kris A. McLean

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Attorney for Plaintiff

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MONTANA SECOND JUDICIAL DISTRICT COURT  
BUTTE-SILVER BOW COUNTY

Kevin Washington an individual and minority owner of CryptoWatt Investment Partners, LLC the sole member of CryptoWatt Mining, LLC.	Dept. 1 Cause No. DV-19-453
Plaintiff	
v.	<b>BRIEF IN SUPPORT OF EX PARTE EMERGENCY MOTION TO APPOINT A RECEIVER</b>
Matthew Brent Goettsche, an individual and majority owner of CryptoWatt Investment Partners, LLC the sole member of CryptoWatt Mining, LLC.	
Defendant	

Section 27-20-102, MCA delineates the instances in which a district court may appoint a receiver, including in actions “between partners or others jointly owning or interested in any property or fund, ...when it is shown that the property or fund is in danger of being lost, removed, or materially injured...” Section 27-20-102(3), MCA. The plaintiff or “any party whose right to or interest in the property or fund or the proceeds of the property or fund is probable” may apply to

the district court to appoint a Receiver. The party seeking the appointment of a receiver bears the burden of showing the property “is in danger of loss from neglect, waste, misconduct, or insolvency.” *Sandrock v. DeTienne*, 2010 MT 237, ¶ 25, 358 Mont. 175, 243 P.3d 1123; *Crowley v. Valley W. Water Co.*, 267 Mont. 144, 151, 882 P.2d 1022, 1026 (1994).

In this case, a Receiver must be appointed immediately to save 32 good paying jobs and prevent assets worth tens of millions of dollars from diminishing drastically in value in very short order. Mr. Richard B. Tabish is the President of FX Solutions, Inc., the company that contracts with CryptoWatt Mining, LLC to operate its Bitcoin mining facility at Butte, Montana. The affidavit of Mr. Tabish (attached hereto as Exhibit 1) describes the critical business issues facing CryptoWatt Mining, LLC. As Mr. Tabish explains in his affidavit:

1. Mr. Matthew Goettsche is presently solely authorized to and responsible for conducting the financial transactions in Bitcoin and regular currency that funds the operation of CryptoWatt Mining, LLC’s Butte facility.
2. Mr. Goettsche is presently incarcerated by federal authorities pending trial on the Indictment attached to Mr. Washington’s Complaint in this matter.
3. Mr. Goettsche’s unavailability to conduct financial transaction has caused all funding of CryptoWatt Mining, LLC’s operations at its Butte facility to cease, resulting in all CryptoWatt Mining, LLC’s employees being laid off from their employment. In addition, Mr. Goettsche’s unavailability to conduct financial transactions has resulted in approximately \$84,000 in checks to FX Solutions,

Inc. to be returned for insufficient funds. These payments from CryptoWatt Mining, LLC to FX Solutions, Inc. were largely designated for the payroll of the 32 employees of FX Solutions, Inc. that work at CryptoWatt Mining, LLC's Butte facility. Mr. Goettsche's unavailability and failure to pay FX Solutions, Inc. for its services has put the jobs of the 32 employees of FX Solutions, Inc. that work at CryptoWatt Mining, LLC's Butte facility in jeopardy.

4. The production of Bitcoin at CryptoWatt Mining LLC's Butte facility requires a contract for electric power to run its Bitcoin mining machines.
5. Mr. Goettsche's unavailability to conduct financial transactions has caused CryptoWatt Mining LLC's electric power contract with Northwestern Energy to go into arrears, threatening the continued availability of electric power. Without electrical power for producing Bitcoin at CryptoWatt Mining LLC's Butte facility, the facility must be shut down, no Bitcoin will be produced and 32 employees of FX Solutions, Inc. will lose their jobs.
6. With an electric power contract in place, CryptoWatt Mining LLC's Butte facility is a very valuable asset, likely worth more than \$40 million. Without an electric power contract in place, the value of CryptoWatt Mining LLC's Butte facility diminishes quickly and drastically. Moreover, every day that CryptoWatt Mining LLC's Butte facility is not operating and producing Bitcoin costs the owners of CryptoWatt Mining LLC approximately 12 Bitcoin-a substantial amount of money depending on the value of Bitcoin on any given day (for example, today the owners of CryptoWatt Mining, LLC lost

approximately \$87,600 in revenue by not being in operation and producing Bitcoin).

Plaintiff Kevin Washington, as the minority owner of CryptoWatt Investment Partners, LLC and CryptoWatt Mining, LLC, is a party “whose right to or interest in the property or fund or the proceeds of the property or fund is probable” qualifying him to apply to this Court to appoint a Receiver. The allegations in Mr. Washington’s Complaint in this case, the allegations in the federal Indictment pending against Mr. Goettsche and Mr. Tabish’s affidavit clearly establish that the assets of CryptoWatt Investment Partners, LLC and CryptoWatt Mining, LLC are “in danger of loss from neglect, waste, misconduct or insolvency.” As such, Plaintiff Kevin Washington has met his burden to show the necessity of appointing a Receiver of the assets of CryptoWatt Investment Partners, LLC and CryptoWatt Mining, LLC and respectfully requests this Court do so as its earliest convenience.

DATED this 30th day of December, 2019.

KRIS A. MCLEAN LAW FIRM, PLLC

Kris A. McLean

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Kris A. McLean  
Attorney for Plaintiff

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*Attorneys for Plaintiff*

MONTANA SECOND JUDICIAL DISTRICT COURT  
SILVER BOW COUNTY

Kevin Washington an individual and minority owner of CryptoWatt Investment Partners, LLC the sole member of CryptoWatt Mining, LLC.  Plaintiff,  v.  Matthew Brent Goettsche, an individual and majority owner of CryptoWatt Investment Partners, LLC the sole member of Cryptowatt Mining, LLC.  Defendant	Dept. 1 Cause No. DV-19-453  <b>RULE 3(b) CERTIFICATION OF NOTICE</b>
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Comes now Plaintiff's counsel, Kris A. McLean, pursuant to Montana Uniform District Court Rule 3(b) and certifies the notice provided to the Defendant of the hearing on Plaintiff's Ex Parte Emergency Motion to Appoint a Receiver:

1. On June 6, 2019, Plaintiff's counsel became aware during a telephone conversation with Mr. Josh Kalish, that Mr. Kalish represented the defendant, Matthew Brent Goettsche (hereinafter "Goettsche") in matters concerning the CryptoWatt Bitcoin Mining Facility at Butte, Montana.
2. Mr. Kalish is an attorney in the law firm Odell, Girtten, Seigel, LLC in New

York, New York.

3. On December 16, 2019, Plaintiff's counsel became aware during a telephone conversation with Mr. Patrick Ridley that Mr. Ridley represented the defendant, Goettsche in defense of the charges contained in the Indictment presently pending against defendant Goettsche in the United States District Court, District of New Jersey, attached as exhibit 1 to Plaintiff's Complaint in this case.
4. Mr. Ridley is an attorney in the Ridley, McGreevy & Winocur P.C. law firm in Denver, Colorado.
5. In an effort to provide defendant Goettsche and his attorneys as much notice as possible under these emergency circumstances, the undersigned Plaintiff's counsel emailed Mr. Kalish and Mr. Ridley on December 29, 2019 at 10:54 p.m. Mountain time attaching copies of the Complaint filed in this case, the Complaint filed in DV 19-452 (FX Solutions, Inc. v. Goettsche), the summons issued in each case, acknowledgment of service and waiver of service forms for each case, a DRAFT of Plaintiff's Ex Parte Emergency Motion for Appointment of Receiver, a DRAFT of Plaintiff's Brief in Support of his Ex Parte Emergency Motion for Appointment of Receiver, a DRAFT of the Proposed Order for Appointment of a Receiver, a DRAFT of the Bitcoin Protocol attached to the Proposed Order for Appointment of a Receiver, the affidavit of Mr. Richard B. Tabish attached to Plaintiff's Complaint and DRAFT Brief in Support of his Ex Parte Emergency Motion for Appointment



of a Receiver and a DRAFT Affidavit of Mr. Kevin Washington.

6. On December 30, 2019 at 7:53 a.m. Mountain time, Mr. Kalish emailed Plaintiff's counsel acknowledging receipt of Plaintiff counsel's email and documents described in paragraph 5 above.
7. On December 30, 2019 at 9:04 p.m. Mountain time, Plaintiff's counsel emailed Mr. Kalish and Mr. Ridley copies of Plaintiff's filed versions of Plaintiff's Emergency Ex Parte Motion for Appointment of a Receiver, Brief in Support of Emergency Ex Parte Motion for Appointment of a Receiver, Mr. Richard B. Tabish's affidavit, Proposed Order for Appointment of a Receiver and Bitcoin protocol.
8. On December 31, 2019 at 3:21 p.m. Mountain time, Plaintiff's counsel emailed Mr. Kalish and Mr. Ridley a copy of this Court's Order, filed that same date, setting a hearing on Plaintiff's Emergency Ex Parte Motion for Appointment of a Receiver for January 8, 2020 at 1:30 before this Court.
9. On January 4, 2020, Mr. John Smith of the Smith and Stephens P.C. law firm in Missoula, Montana informed Plaintiff's counsel during a telephone call that Mr. Smith had been retained by defendant Goettsche to represent defendant Goettsche in connection with Plaintiff's Emergency Ex Parte Motion for Appointment of a Receiver.
10. On January 5, 2020 at 3:09 p.m. Mountain time, Mr. Smith emailed Plaintiff's counsel that Plaintiff's counsel could represent to this Court in this Certification that Mr. Smith is aware of the hearing set before this Court on June 8, 2020 and Plaintiff's Rule 3(b) Certification of Notice

that he is currently planning to attend the hearing as defendant Goettsche's counsel. Mr. Smith also stated in the email that he was reserving all of defendant Goettsche's rights and objections. Mr. Smith cautioned in the email that he was not sure whether defendant Goettsche had actually seen the pleadings in this case yet, so Mr. Smith was not suggesting that Mr. Goettsche has had sufficient personal service of Plaintiff's Emergency Ex Parte Motion or of the hearing set on Plaintiff's Emergency Ex Parte Motion set before this court on January 8, 2020 at 1:30 p.m.. To date, Plaintiff's counsel has not received the acknowledgment of service and waiver of service forms served on defendant Goettsche's counsel on December 29, 2019.

11. Plaintiff's counsel and Mr. Smith have engaged in discussions to determine if defendant Goettsche will be opposing Plaintiff's Emergency Ex Parte Motion for Appointment of a Receiver. As of the signing of this Certification, Plaintiff's counsel has not been advised whether Mr. Goettsche will oppose Plaintiff's Ex Parte Emergency Motion for Appointment of a Receiver.

Wherefore, the undersigned Plaintiff's counsel respectfully certifies that defendant Goettsche has been contacted through his counsel and given reasonable notice of the hearing on Plaintiff's Emergency Ex Parte Motion for Appointment of a Receiver set before this Court on January 8, 2020 at 1:30 p.m.

DATED this 6th day of January 2020.

KRIS A. MCLEAN LAW FIRM, PLLC

*Kris A. McLean*

Kris A. McLean

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following electronically by email:

John E. Smith  
Smith & Stephens, P.C.  
315 West Pine Street  
Missoula, Montana 59802  
[john@smithstephens.com](mailto:john@smithstephens.com)

Josh Kalish  
Odell, Girton Siegel, LLC  
434 West 33<sup>rd</sup> Street, PH  
New York, New York 10001  
[josh@ogslawllc.com](mailto:josh@ogslawllc.com)

Patrick Ridley  
303 16<sup>th</sup> Street, Suite 200  
Denver, Colorado 80202  
[ridley@ridleylaw.com](mailto:ridley@ridleylaw.com)

DATED this 6th day of January 2020.

*Kris A. McLean*  
Kris A. McLean